

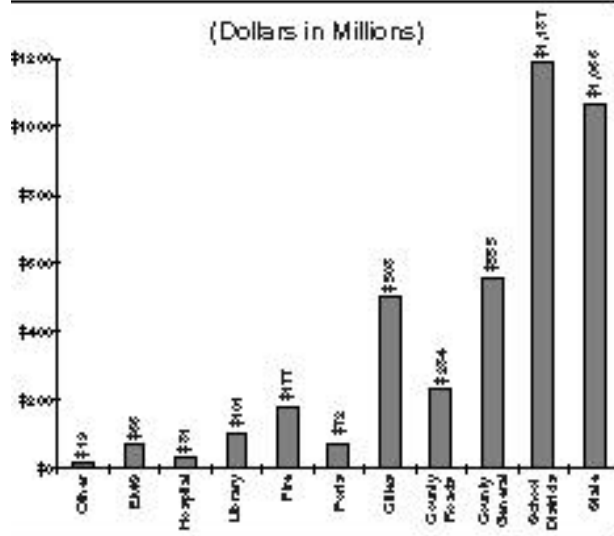
Washington's Property Tax

Tax Collections

Prior to the Great Depression, when levy collections amounted to less than \$100 million annually, Washington's property tax provided 90 percent of state and local government revenues. In 1995, although property taxes accounted for less than 20 percent of state and local revenues, more than \$4 billion in state and local taxes were levied on property owners. (Washington Research Council)

- The revenue collected from the state property tax levy (often called the state school levy because it replaced the local regular school levy in 1975) is deposited in the general fund and provides only 25 percent of total state appropriations for K-12 education. (Washington Research Council)

Property Tax Due in 1995 by Type of Taxing District



Washington has more than 1,700 taxing districts including: 39 counties, 270 cities and towns, 296 school districts, 413 fire districts, 16 library districts, 76 ports, and 128 emergency medical service (EMS) districts. (Washington State Department of Revenue, Property Tax Statistics, 1995)

Property Tax Growth

Property taxes compound at an average annual rate of more than 9 percent. At this rate, property taxes double in less than eight years. At the current rate of growth, annual taxes on a \$200,000 home will be \$6,513 in ten years. In 20 years, taxes on the same home will be \$15,678 annually. (Senate Ways & Means Committee)

- Less than half of the growth in property taxes can be accounted for by population growth and inflation. (Senate Ways & Means Committee)
- Property taxes are growing four times faster than real wages. (Senate Ways & Means Committee)

Taxpayers

Single-family homes comprise 64 percent of the state's assessed value of real property. (Washington Research Council)

- The statewide average for total property taxes for 1995 was \$13.53 per \$1,000 value (\$3.57 state, \$5.34 local regular levies and \$4.62 for voter-approved excess levies). (Washington State Department of Revenue)
- Property taxes cost every man, woman and child in Washington slightly less than \$750 per year, or about 3 percent of combined personal income. (Washington Research Council)

Property Tax Time Line

1930 14th Amendment to the Washington State Constitution defines real and personal property.

1944 17th Amendment to the Washington State Constitution sets limit of 40 mills on the dollar of assessed valuation.

1955 The Revaluation Act requires property be reassessed at least every four years.

1966 47th Amendment to the Washington State Constitution allows exemptions for retired persons.

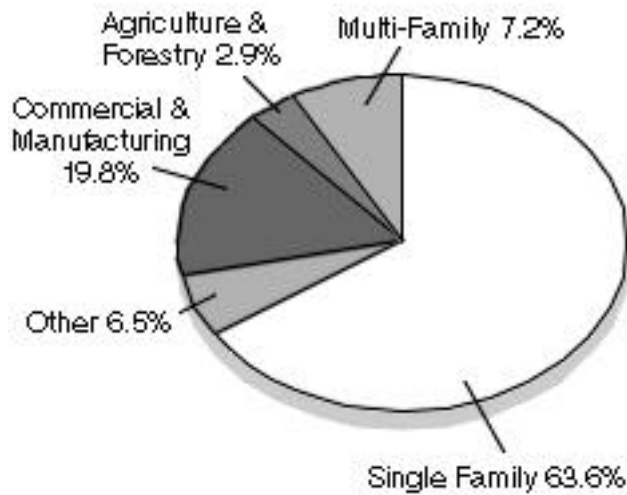
FAST FACTS & TALKING POINTS

1971 A 106-percent limit is imposed on local property tax increases.

1972 55th Amendment to the Washington State Constitution limits regular property taxes to 1 percent of true value.

1974 Business inventories exempted from the property tax.

Distribution of Taxable Real Property in 1995



(Washington State Department of Revenue, Property Tax Abstracts)

1979 The 106-percent limit is extended to the state levy. (Senate Ways & Means Committee, Washington Research Council)

For more information about Washington's property tax, contact Tim Sekerak, Policy Analyst, Senate Republican Caucus, P.O. Box 40482, Olympia WA 98504-0482, 360-786-7512.

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